98TH CONGRESS | HOUSE OF REPRESENTATIVES | REPORT
1st Session | No. 98-117

VETERANS' ADMINISTRATION HEALTH PROGRAMS AMENDMENTS OF 1983

MAY 13, 1983.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. MONTGOMERY, from the Committee on Veterans' Affairs, submitted the following

REPORT

[To accompany H.R. 2920]

[Including cost estimate of the Congressional Budget Office]

The Committee on Veterans' Affairs to whom was referred the bill (H.R. 2920) to amend title 38, United States Code, to revise and extend certain health-care programs of the Veterans' Administration, and for other purposes, having considered the same, with a quorum present, report favorably thereon by unanimous voice vote without amendment and recommend that the bill do pass.

INTRODUCTION

The Subcommittee on Hospitals and Health Care held hearings on February 16, 1983; March 3, 1983; and March 24, 1983; on legislation affecting various aspects of the Veterans' Administration medical care program.

The first of these hearings was on H.R. 103 and the extension of authority for the provision of Veterans' Administration health care in the Commonwealth of Puerto Rico and the Virgin Islands. Testimony was received from the Resident Commissioner of the Commonwealth of Puerto Rico, the Honorable Baltasar Corrada, the Honorable Harold Sawyer, the National Association of State Veterans Homes, veterans organizations, and the Veterans' Administration.

The second hearing was on H.R. 1137 and oversight of the Veterans' Administration's delivery of health care for women veterans. Testimony was received from panels of public witnesses and veterans organizations, the General Accounting Office, and the Veterans' Administration.

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The final hearing was on H.R. 1443 and oversight of the veterans' readjustment counseling program. Testimony was received from veterans organizations and the Veterans' Administration.

On May 5, 1983, the subcommittee unanimously recommended H.R. 2920 to the full Committee in lieu of the above bills, to extend by 3 years the period during which Vietnam-era veterans may request psychological readjustment counseling from the Veterans' Administration, to direct the Administrator of Veterans' Affairs to carry out a comprehensive study of the prevalence of post-traumatic stress disorder and related readjustment problems among Vietnam-era veterans; to revise procedures with respect to the disposal of excess real property of the Veterans' Administration; to increase the per diem rates payable by the Veterans' Administration to States providing domiciliary, nursing home, and hospital care to veterans in State homes; to exend by 1 year the authority of section 601(4)(c)(v) for the provision of contract Veterans' Administration hospital care and medical services to certain veterans in the Commonwealth of Puerto Rico and the Virgin Islands; to establish in the Veterans' Administration an Advisory Committee on Women Veterans and to remove restrictions on the use of certain real property in Harrison County, Mississippi.

On May 10, 1983, the full committee unanimously ordered H.R. 2920 to be reported to the House.

BACKGROUND

EXTENSION OF THE PSYCHOLOGICAL READJUSTMENT COUNSELING PROGRAM

The bill extends the authority of the Administrator to provide Vietnam-era veterans with psychological readjustment counseling until September 30, 1987.

Public Law 96-22 authorized this counseling program for Vietnam veterans through September 30, 1981. Public Law 97-72 extended veterans' eligibility for service under this program through September 30, 1984, and established a mechanism for the orderly transition of this program into the VA health care system. One hundred thirty-six vet centers are now operating throughout the country.

The committee is aware that it takes a substantial period of time for a new vet center to establish a reputation in its community and to overcome the skepticism that often accompanies new program initiatives. The committee is also aware that during the current fiscal year, vet centers will provide counseling for an estimated 80,000 visits by Vietnam-era veterans. The program has enhanced the Veterans' Administration's reputation as a recognized leader in the study and treatment of post-traumatic stress disorder [PTSD].

Since the vet centers will fall far short of realizing their maximum potential by September 30, 1984, the committee feels that an additional period should be provided so that eligible veterans may initially and on a continuing basis receive assistance through the centers. A description of the program's background and progress to date, which follows, supports the committee's endorsement for legislation to extend both veterans' eligibility for these services and

the Veterans' Administration's authority to operate vet centers for 3 additional years.

The enabling legislation for the readjustment counseling program and related mental health services was signed by President Carter on June 13, 1979. The Veterans' Administration began to develop the program for veterans of the Vietnam era on October 1, 1979. Within the Veterans' Administration, this program was given the title of "Operation Outreach." Operation Outreach work sites were to be community-based and established outside existing VA facilities. These work sites are referred to as "vet centers" and the staff as vet center teams. During the first year of Operation Outreach, 91 centers were developed nationally, with a staff of 376 persons. Currently, 136 centers are in operation, with a staff of 576 persons. The agency spends about $35 million per year in the operation of these centers.

The service delivery mission of the vet centers is unique within the Department of Medicine and Surgery. Operation Outreach was conceptualized as a readjustment counseling program, not a medical treatment program. The distinction between "treatment" and "readjustment counseling" is important because the vet center staff was authorized to provide counseling services without the necessity of establishing a diagnostic label. This distinction represents a departure from the usual delivery of health services where a diagnosis is established prior to the provision of services.

Within the context of readjustment counseling, each vet center is tasked with three major functions: outreach, direct service delivery, and referral. The outreach function is broadly defined as those activities which vet center personnel undertake to reach and engage the Vietnam-era veteran. Examples of outreach functions are: Group presentations with service organizations, churches or community action groups and medical activities all aimed at informing the Vietnam-era veteran of the availability of readjustment services to identify Vietnam-era veterans in the community who might benefit from such counseling.

Each vet center team is required to develop a program of services uniquely tailored to the strengths and weaknesses of the team's background and training. Within each team, there is a program consisting of individual counseling, group counseling for veterans, and a family counseling element. Some teams have developed other specialized services drawing upon the strengths of the staff.

The referral function of the vet centers extends well beyond utilization of existing Veterans' Administration's resources. It is possible for veterans utilizing center resources to present problems which are beyond the scope of the center service delivery mission. If the services required to resolve the problem(s) are not available within the Veterans' Administration, the center staff is responsible for making a referral to sources outside of the Veterans' Administration. Such referrals have allowed the staff to develop working relationships with VA medical treatment programs, as well as a broad range of community service delivery programs.

Based on the performance and the results of the vet center program thus far, the committee has concluded that the program must continue for a minimum of 3 years beyond the current expiration date. This minimum extension of 3 additional years is absolutely

necessary due to the large number of Vietnam veterans being seen by vet center teams for the first time and the increase of veterans being recognized as suffering from severe stress conditions. The latter condition must be treated on a more long-term basis and frequently requires the vet center team preparing the veteran client and his or her family for entrance into the mainstream of VA mental health care.

Testimony from Vietnam-era veterans has raised some questions about the prevalence of post-traumatic stress disorder and related readjustment problems among certain Vietnam-era veterans. Therefore, the committee endorses legislation which would mandate that the Veterans' Administration conduct a study which shall include a nationwide survey of the prevalence and incidence of post-traumatic stress disorder and related readjustment problems among Vietnam-era veterans and a survey of the health status of the Vietnam-era veteran population in relation to that of the general population.

The committee feels that this study will be beneficial in answering many of the questions raised by Vietnam-era veterans and will serve as a vehicle to provide necessary services to Vietnam-era veterans suffering from severe readjustment problems and PTSD.

INCREASE THE PER DIEM RATES PAYABLE BY THE VETERANS' ADMINISTRATION TO STATES PROVIDING DOMICILIARY, NURSING HOME, AND HOSPITAL CARE TO VETERANS IN STATE HOMES

Public Law 96–151, enacted on December 20, 1979, increased the per diem rates payable by the Veterans' Administration to States providing domiciliary, nursing home, and hospital care to veterans in State homes from $5.50, $10.50, and $11.50 to $6.35, $12.10, and $13.25, respectively.

The committee believes that State extended-care facilities provide the most cost-effective health care delivery to eligible veterans available to the Federal Government. The committee has received complaints from the several States concerning the current level of per diem paid to them for eligible veterans in the State homes. Mr. Jack J. Dack, commandant of the Iowa State Veterans Home and chairman of the legislative committee of the National Association of State Veterans Homes, testified that,

> Since 1970, the Veterans' Administration per diem reimbursement share of the total cost of the State home program has ranged from 35.3 percent in fiscal year 1970 to a low of 20.3 percent in fiscal year 1982. In the past few years, this participation has been continually dropping.

Staff visits to the Iowa State Veterans Home, two of the Oklahoma State veterans homes, the Erie, Pa., Soldiers' and Sailors' Home, and several others throughout the country have shown that the professional care and treatment of these veterans is of a high quality. The committee has determined that the increase in the per diem rates, as reflected in the bill, is totally justified.

EXTENSION OF AUTHORITY TO PROVIDE HOSPITAL CARE AND MEDICAL SERVICES FOR VETERANS RESIDING IN PUERTO RICO AND THE VIRGIN ISLANDS

Public Law 97-251 extended until September 30, 1983, the Veterans' Administration's authority to continue to rely on the private sector in order to meet the health-care needs of veterans in the Commonwealth of Puerto Rico and the Virgin Islands.

The joint explanatory statement accompanying Public Law 97-251 directed the Veterans' Administration to prepare a comprehensive plan for providing appropriate and cost-effective health care to these veterans and, to the extent that new construction was involved, to prepare the needed project or projects for inclusion in the President's budget. This study was due to the committee on December 1, 1982. It was received on January 20, 1983. Both the cover letter from the Administrator which accompanied the study and the executive summary of the study state that it does not constitute a request for funding or any other legislative action. It further states "nor does it necessarily represent the views of the agency or of the administration."

It is the opinion of the committee that the special authority to provide hospital care and medical services for the treatment of non-service-connected conditions of veterans residing in the Commonwealth of Puerto Rico and the Virgin Islands must be extended for 1 additional year. However, the committee desires to make it clear that unless the Veterans' Administration takes a position in relation to the study conclusions as required by Public Law 97-251, further extensions of the authority to provide such care by the Administration will not be considered. If the agency does not submit a proposal to the Congress next year, including funds in the budget, to deal with existing problems on a permanent basis, the committee will be required to initiate legislation on its own. The committee is not satisfied with the way this matter has been handled by the agency.

ESTABLISH AN ADVISORY COMMITTEE ON WOMEN VETERANS WITHIN THE VETERANS' ADMINISTRATION

While representing only 2.5 percent of all veterans, the female veteran population is growing significantly. As of September 1981, there were about 742,000 female veterans. Women made up only 2 percent of the military strength before 1975, but under the All-Volunteer Force, the percentage rose to nearly 6 percent in 1977 and is expected to reach 12 percent in 1984. According to a 1981 Veterans' Administration professional services letter sent to Veterans' Administration medical center directors and chiefs of staff, the increasing veteran population is already appearing in some geographical areas and making demands in acute, nursing, and intermediate care programs. Further, the letter states that "changes in the roles women are currently assuming in the military will impact the nature and kind of injuries they receive and the medical care they require."

Veterans' Administration health care programs have traditionally been oriented toward male health care needs. The need to plan for and provide medical care that meets the special needs of female

veterans is becoming more important in view of the increasing numbers of female veterans coming into the system now and anticipated in the future. Women require care for gender-related disorders that may not be available in Veterans' Administration medical centers. Privacy must also be provided in hospital-bed areas and bath facilities in order to have equal access to VA medical treatment programs.

The primary mission of the Veterans' Administration medical care system is to provide care to veterans with service-connected disabilities. In addition, to the extent that staff and space are available, Veterans' Administration facilities may provide care for non-service-connected disabilities to veterans under age 65 who are unable to defray the cost of care elsewhere. Such veterans are eligible for outpatient care if the care is needed to obviate the need for hospitalization.

The Veterans' Administration may also authorize certain care outside a Veterans' Administration facility. Veterans in need of care for service-connected disabilities can obtain both inpatient and outpatient care from private sources on a fee-for-service basis if Veterans' Administration facilities cannot provide the needed services or are geographically inaccessible to the veterans. Veterans with non-service-connected disabilities are not generally eligible for fee-basis care. However, because some Veterans' Administration facilities cannot accommodate women, VA facilities can authorize fee-basis inpatient care for non-service-connected female veterans.

In a September 24, 1982, report entitled "Actions Needed to Insure That Female Veterans Have Equal Access to VA Benefits," the General Accounting Office recommended that the Veterans' Administration (1) improve female veterans' access to outpatient gynecological care and other care not available at VA facilities, (2) revise privacy standards and insure that future construction or renovation projects correct privacy limitations that limit women's access to VA facilities and treatment, (3) instruct VA medical facilities to identify all treatment programs that cannot accept female patients and develop alternative ways to provide the care, and (4) develop projections on the numbers of service-connected and non-service-connected female veterans expected to seek care from the Veterans' Administration and use such data in planning future construction and renovation projects.

In response to the General Accounting Office report, the Veterans' Administration's Department of Medicine and Surgery issued a January 1983 circular which directed each medical center and outpatient clinic to develop and submit to Veterans' Administration's central office by June 30, 1983, a written plan for the care of female veterans. These plans are to address, at a minimum, the definition of a complete physical examination for a female including breast and pelvic examination; provision of inpatient and outpatient gynecological services for female veterans, including those in Veterans' Administration nursing homes and domiciliaries; and referral procedures for necessary services currently unavailable at VA medical centers because of privacy consideration.

The circular also directs the facilities to review their current method of providing outpatient gynecological services and upgrade

those needing improvement by June 1, 1983. The circular specifically states that reliance on fee-basis care alone is not adequate.

Finally, the circular directs VA medical centers to examine admitting areas, outpatient clinics, and bed services to identify physical barriers such as lack of privacy or bath facilities that limit access of females to any program. Plans for correction of barriers are to be incorporated in the 5-year construction plan for fiscal year 1985 through 1989, unless the necessary renovations or new construction are underway prior to that time.

The committee finds the Veterans' Administration response to the General Accounting Office report commendable and feels that if action is taken to fully implement the circular, access to Veterans' Administration health care for women veterans will be significantly improved. The committee expects the Veterans' Administration to report as soon as responses from the circular have been received, but not later than October 1, 1983, and provide the committee with its recommendations.

In order that the Veterans' Administration continues to improve its delivery of quality health care to women veterans, the committee believes it is essential that legislation be enacted that would establish an Advisory Committee on Women Veterans within the agency. The committee finds that the current Administrator of Veterans' Affairs, desire to establish such a committee is commendable. However, to insure that future Administrators of Veterans' Affairs have the same commitment, the committee strongly urges that such an advisory committee be made statutorily.

REVISE PROCEDURES WITH RESPECT TO THE DISPOSAL OF EXCESS REAL PROPERTY OF THE VETERANS' ADMINISTRATION

The committee has long been concerned about the excessing of property belonging to the Veterans' Administration, particularly when it is known that additional property will be needed beyond the year 2000 to take care of the health care needs of the aging veteran population.

The committee's concern has been accelerated by the high cost of leasing space for regional office and outpatient activities especially when it has proven more cost effective to construct such facilities on Veterans' Administration medical center property.

Because the committee desires that Veterans' Administration property be properly considered for purposes more conducive to the ongoing and future activities of the Veterans' Administration, the committee bill would give the Congress 180 days in lieu of the 30 days currently allowed to consider the feasibility of declaring property excess to the agency's needs. In addition, this legislation would also state that Veterans' Administration property may not be declared excess by the Administrator and disposed of by the General Services Administration or any other entity of the Federal Government unless the Administrator determines that the property is no longer needed by the Veterans' Administration in carrying out its functions.

REMOVE RESTRICTIONS ON THE USE OF CERTAIN REAL PROPERTY IN HARRISON COUNTY, MISS.

In the early 1930's when consideration was being given by the Veterans' Administration to the acquisition of a site in Biloxi, Miss., a number of citizens of Biloxi signed an agreement with the Veterans' Administration offering to acquire and donate to the U.S. Government a tract of land, in consideration of the Federal Government locating a so-called Soldiers' Home in Biloxi. The city acquired a number of options on land. Due to title difficulties, the Veterans' Administration instituted condemnation proceedings for the acquisition of 709 acres of the original 714 acres of the reservation. The city paid the acquisition cost of the 709 acres.

Public Law 89-629 conveyed to the city of Biloxi all rights, title, and interest of the United States in and to a portion of the real property of the Veterans' Administration Medical Center, Biloxi, Miss., approximating 75.82 acres on the condition that such real property shall be used for a public park or for other public purposes.

The city of Biloxi has requested that restrictions previously imposed be removed from a parcel of land approximating 7.24 acres which was conveyed by the city to Gulf Paving, Inc., by deed of June 29, 1973. The Veterans' Administration imposes no objection to releasing these restrictions, as the city of Biloxi indicates that zoning restrictions imposed by the city will prevent any site usage adverse to the interests of the Veterans' Administration.

The reported bill would provide that the Administrator of Veterans' Affairs execute a change in the deed to release the reversionary interest of the United States restricting the use of the property in question.

SECTION-BY-SECTION ANALYSIS OF THE REPORTED BILL

Section 1 of the reported bill states that this act be cited as the Veterans' Administration Health Programs Admendments of 1983.

Section 2 would amend section 612(A) of title 38, United States Code, to extend for 3 additional years the time during which Vietnam-era veterans may request psychological readjustment counseling from the Veterans' Administration. Section 612(A) of title 38, United States Code, is also amended to extend by 3 years the provision requiring a transition of readjustment counseling program operations from the Veterans' Administration's vet centers to Veterans' Administration medical centers and other health care facilities.

Section 3 requires the Administrator of Veterans' Affairs to conduct a detailed, comprehensive study of the prevalence and incidence of post-traumatic stress disorder and related readjustment problems among Vietnam era veterans, as well as a survey of the health status of that population in relation to that of the general population. A report on the study shall be submitted to Congress no later than December 31, 1985.

Section 4 would amend section 641(a) of title 38, United States Code to increase the specific rates of per diem to be paid by the Veterans' Administration to States for domiciliary, nursing home, and hospital care of veterans eligible for this care in a Veterans'

Administration facility. These rates would be increased from $6.35 to $9.50 for domiciliary care; from $12.10 to $16 for nursing home care; and from $13.25 to $16.90 for hospital care.

A new subsection (c) would be added to require the Administrator of Veterans' Affairs to submit a report every 3 years to the Committees on Veterans' Affairs on the appropriate rates for payments under subsection (a) of section 641, United States Code. The first such report shall be submitted not later than June 30, 1984.

The amendments shall take effect on October 1, 1983.

Section 5 would amend section 601(4)(C)(v) of title 38, United States Code, to extend by 1 year the authority of the Administrator of Veterans' Affairs to waive the restrictions placed on the provision of hospital care and medical services to eligible veterans who are residents of the Commonwealth of Puerto Rico and the Virgin Islands. Current authority will expire on September 30, 1983.

Section 6 would amend chapter 3 of title 38, United States Code, by inserting after section 221 a new section 222. This new section would require the Administrator to establish an Advisory Committee on Women Veterans within the Veterans' Administration.

Subsection (b) of new section 222 describes the membership of the Advisory Committee. Subsection (b)(1) requires that the Administrator appoint members of the general public, including (A) representatives of women veterans, (B) individuals who are recognized authorities in fields pertinent to the needs of women veterans, including the health-care needs of women, and (C) representatives of both male and female veterans with service-connected disabilities. Subsection (b)(2) directs the appointment of the Secretary of Labor—or a representative of the Secretary of Labor designated by the Secretary after consultation with the Assistant Secretary of Labor for Veterans' Employment—to the committee. Subsection (b)(3) requires the appointment of the Secretary of Defense—or a representative of the Secretary of Defense named by the Secretary after consultation with the Defense Advisory Committee on Women in the Services—to the committee. Subsection (b)(3) calls for the Chief Medical Director and the Chief Benefits Director of the Veterans' Administration or their designees to be placed on the committee.

Subsection (c) of new section 222 directs the Administrator to determine the number, terms of service, pay, and allowances of members of the committee appointed by the Administrator, except that the term of service of any such member may not exceed 3 years.

Subsection (d) of new section 222 requires the Administrator to consult with and seek the advice of the committee on a regular basis with respect to (1) the administration of benefits for women veterans under laws administered by the Veterans' Administration, and (2) the unique needs of women veterans with respect to compensation, health care, and rehabilitation.

Subsection (e)(1) of new section 222 requires that not later than July 1, 1984, and not later than July 1 of each second year thereafter, the committee shall submit to the Administrator of Veterans' Affairs a report on the programs and activities of the Veterans' Administration insofar as they pertain to women veterans. The committee shall include in each such report an assessment of the needs of women veterans with respect to compensation, health

care, and rehabilitation; a review of the programs and activities of the Veterans' Administration designed to meet such needs; and such recommendations—including recommendations for administrative and legislative action—as the committee considers to be appropriate.

Subsection (e)(2) of new section 222 requires the Administrator to promptly submit each such report described in section (e)(1) to Congress together with any comments of the Administrator concerning the report.

Subsection (e)(3) of new section 222 authorizes the committee to submit to the Administrator such other reports and recommendations as the committee deems appropriate.

Subsection (e)(4) of new section 222 requires the Administrator to include in each annual report submitted to Congress pursuant to section 214 of title 38, United States Code, a summary of all reports and recommendations of the committee submitted to the Administrator since the previous annual report of the Administrator.

Subsection (f) of new section 222 requires that the committee remain in existence until terminated by law. Section 222 shall be effective upon date of enactment.

Section 7 would amend subsection (a)(2)(A) of section 5022 of title 38, United States Code, to strike out 30 days and insert in lieu thereof 180 days. Under present law, the Veterans' Administration must notify the Committees on Veterans' Affairs of its intention of entering into a transaction to transfer to another Federal agency or to a State with respect to any real property owned by the United States and administered by the Veterans' Administration which has an estimated value in excess of $50,000. The Veterans' Administration must report the facts of the proposed transaction to the Committees on Veterans' Affairs, and no transaction may be entered into until after the expiration of 30 days from the date upon which the report is submitted. The amendment would give the Committees on Veterans' Affairs an additional 150 days to review the proposed transaction.

Section 8 mandates the Administrator of Veterans' Affairs to execute such instruments as may be necessary to release the reversionary interest of the United States restricting to use as a public park or other public purpose a parcel of land, consisting of approximately 7.24 acres, conveyed by the city of Biloxi, Miss., to Gulf Paving, Inc. This parcel of land is a portion of a larger tract of land previously conveyed by the United States to the city of Biloxi, Miss., pursuant to Public Law 89-269.

A new subsection (d) is added and states that real property under the jurisdiction of the Administrator may be declared excess by the Administrator and disposed of by the General Services Administration or any other entity of the Federal Government unless the Administrator determines that the property is no longer needed by the Veterans' Administration in carrying out its functions.

Oversight Findings

Under the rules of the Committee on Veterans' Affairs, the Subcommittee on Hospitals and Health Care is vested with legislative and oversight jurisdiction over the provision of hospital, domicili-

ary, and nursing home care to eligible veterans. As a result of the hearings held on February 16, 1983; March 3, 1983; and March 24, 1983; the subcommittee concluded there is justification for the enactment of the reported bill, and on May 5, 1983, recommended the legislation to the full committee.

BUDGET STATEMENT

As required by the Rules of the House of Representatives, the following cost estimate has been received from the Congressional Budget Office on the reported bill:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, D.C., May 12, 1983.

Hon. G. V. MONTGOMERY,
Chairman, Committee on Veterans' Affairs, U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to Section 403 of the Congressional Budget Act of 1974, the Congressional Budget Office has prepared the attached cost estimate for H.R. 2920, the Veterans' Administration Health Programs Amendments of 1983, as ordered reported by the House Committee on Veterans' Affairs, May 10, 1983.

Should the Committee so desire, we would be pleased to provide further details on this estimate.

Sincerely,

JAMES BLUM,
For Alice M. Rivlin, Director.

CONGRESSIONAL BUDGET OFFICE—COST ESTIMATE, MAY 12, 1983

1. Bill number: H.R. 2920.
2. Bill title: Veterans' Administration Health Programs Amendments of 1983.
3. Bill status: As ordered reported by the House Committee on Veterans' Affairs, May 10, 1983.
4. Bill purpose: To revise and extend certain health-care programs of the Veterans' Administration (VA), and for other purposes.
5. Estimated cost to the Federal Government:

[By fiscal year, in millions of dollars]

	1984	1985	1986	1987	1988
Estimated authorization level	36.9	51.4	53.5	55.8	38.4
Estimated outlays	30.9	49.7	54.0	55.5	44.4

The cost of this bill would fall in budget function 700.

Basis for estimate: The following section-by-section cost analysis only addresses those sections of H.R. 2920 that would be expected to have a significant budgetary impact.

Section 2: This section would extend by three years the period during which Vietnam era veterans may request psychological readjustment counseling.

[By fiscal year, in millions of dollars]

	1984	1985	1986	1987	1988
Estimated authorization level	0	34.4	36.0	37.6	19.5
Estimated outlays	0	27.5	35.7	37.3	25.5

Because this bill does not authorize the appropriation of specific amounts, it was assumed that the fiscal year 1983 appropriation level, as increased by anticipated inflation, would be appropriated in 1985, 1986, and 1987. One-half of the corresponding amount for 1988 was assumed to be appropriated in that year to cover the cost for those veterans who apply for counseling before the delimiting date but whose treatment continues into the following year. Outlays were projected according to historical spending patterns.

Section 3: This section would require the Administrator to conduct a comprehensive study of the readjustment of Vietnam era veterans to civilian life. The study is specified to include a nationwide survey of the prevalence and incidence of post-traumatic stress disorder and related readjustment problems, as well as a survey of the health status of the Vietnam era population in relation to that of the general population.

[By fiscal year, in millions of dollars]

	1984	1985	1986	1987	1988
Estimated authorization level	3.0	0	0	0	0
Estimated outlays	.5	1.7	0.8	0	0

Although language is not included in this provision to authorize a specific appropriation amount for the conduct of this study, it was assumed that the existing language would be sufficient to authorize the appropriation of such sums as may be necessary. The cost of this study would depend on the manner in which it is conducted, whether it is done in-house or under contract, the size of the surveys involved, and a number of other factors that could only be determined by the agency. The above estimate is based on the cost of other recent studies performed by the VA, but should be viewed as a rough magnitude estimate only.

Section 4: This section would increase the per diem rate payable by the VA to states providing domiciliary, nursing home and hospital care to veterans in state homes.

[By fiscal year, in millions of dollars]

	1984	1985	1986	1987	1988
Estimated authorization level	16.3	17.0	17.5	18.2	18.9
Estimated outlays	16.3	17.0	17.5	18.2	18.9

State Domiciliaries and Nursing Homes: Because the average length of stay for veterans in these facilities exceeds 365 days, a projected average daily census was used as the indicator of the number of veterans on whose behalf State facilities would be reim-

bursed. In fiscal year 1982 the average daily census of veterans in State domiciliaries was 4,493 and 6,428 in state nursing homes. Based on historical trends, the level in domiciliaries is anticipated to decrease to about 3,750 by 1988, while the level in nursing homes should rise to around 9,650. The projected average daily census in each type of facility was multiplied by the proposed increase in per diem rates for 365 days.

State Hospitals: The average length of stay for veterans in State hospitals in fiscal year 1982 was 72.3 days. A projection of the average length of stay was multiplied by the projected number of veteran patients treated in each year to calculate the number of reimbursable patient days per year. This, in turn, was multiplied by the proposed increase in the per diem rate for veterans in State hospitals.

Section 5: This section would extend for 1 year the authority of the Administrator to provide contract health care in Puerto Rico and the Virgin Islands.

[By fiscal year, in millions of dollars]

	1984	1985	1986	1987	1988
Estimated authorization level	17.6	0	0	0	0
Estimated outlays	14.1	3.5	0	0	0

The above estimate represents the amounts requested in the President's 1984 budget for the purpose covered by this provision.

6. Estimated cost to State and local governments: Section 4 of H.R. 2920 would increase the per diem rate payable by the VA to States providing domiciliary, nursing homes, and hospital care to veterans in State homes. Enactment of this provision would result, therefore, in the following estimated increase in revenues for those states operating State homes:

[By fiscal year, in millions of dollars]

	1984	1985	1986	1987	1988
State revenues	16.3	17.0	17.5	18.2	19.9

7. Estimate comparison: None.

8. Previous CBO estimate: None.

9. Estimate prepared by: K. W. Shepherd.

10. Estimate approved by: C. G. Nuckols, for James L. Blum, Assistant Director for Budget Analysis.

Cost

The committee agrees with the cost estimate submitted by the Congressional Budget Office.

Inflationary Impact Statement

The enactment of the reported bill would have no inflationary impact.

AGENCY REPORTS

The committee received the following views of the Veterans' Administration on legislation similar to the reported bill:

OFFICE OF THE ADMINISTRATOR OF VETERANS' AFFAIRS,
Washington, D.C., February 14, 1983.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: There is transmitted herewith a draft bill "To amend title 38, United States Code, to extend the authority of the Administrator of Veterans' Affairs to provide certain contract hospital care and medical services in Puerto Rico, the Virgin Islands, and other territories," with the request that it be introduced so that it may be considered for enactment.

The major purpose of this bill would extend for an additional three years—through September 30, 1986—the Veterans Administration's expiring authority to provide contract hospital care, and outpatient care that will obviate the need for hospital admission, to certain veterans in Puerto Rico and the Virgin Islands in order to give the VA sufficient time to study the various alternatives that are available to meet the health care needs of these veterans.

With the extension in Public Law 97-251 of this contract authority, Congress directed the VA to prepare a plan for meeting the health-care needs of veterans in Puerto Rico and the Virgin Islands. An assessment has been made of the health-care needs in Puerto Rico and the Virgin Islands. However, we still have not been able to ascertain how these needs should be met or precisely where the balance should be drawn between these needs and the many other urgent, competing needs of veterans throughout the country. The proposed extension of our special contracting authority, however, would assure the continuation of necessary care to these veterans while long-range solutions are addressed.

The costs of this bill are estimated to be $9 million for the first year and $27 million for three years. A more detailed analysis of this proposal is enclosed.

We have been advised by the Office of Management and Budget that there is no objection to the presentation of this draft legislation to the Congress and that its enactment would be in accord with the program of the President.

Sincerely,

HARRY N. WALTERS,
Administrator.

Enclosures.

A BILL To amend title 38, United States Code, to extend the authority of the Administrator of Veterans' Affairs to provide certain contract hospital care and medical services in Puerto Rico, the Virgin Islands, and other territories

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That section 601(4)(C)(v) of title 38, United States Code, is amended by striking out "September 30, 1983" and inserting in lieu thereof "September 30, 1986".

ANALYSIS OF PROPOSED BILL

The draft bill would extend for an additional 3 years the VA's authority to provide contract hospital care, and outpatient care that will obviate the need for hospital admission, to certain veterans in Puerto Rico and the Virgin Islands. This would give the VA sufficient time to begin the development of a capability to provide such care in VA-operated facilities.

This proposal is based upon a recommendation in the VA's 1983 report to Congress, submitted pursuant to its recent directive. This report outlined VA plans for meeting the health-care needs of veterans in Puerto Rico and the Virgin Islands. The estimated cost of this bill is $9 million for the first year and $27.7 million for 3 years—fiscal year 1984–86.

OFFICE OF THE ADMINISTRATOR OF VETERANS' AFFAIRS,
Washington, D.C., February 14, 1983.

Hon. G. V. (SONNY) MONTGOMERY,
Chairman, Committee on Veterans' Affairs,
House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: I am pleased to respond to your request for the views of the Veterans Administration on H.R. 103, 98th Congress, a bill "To amend title 38, United States Code, to increase the per diem rate payable by the Veterans' Administration to States providing domiciliary, nursing home, and hospital care to veterans in State homes."

The proposed legislation would increase the specific per diem rates prescribed in 38 U.S.C. § 641 to be paid by the Veterans Administration to State domiciliaries, nursing homes, and hospitals for the care of veterans eligible for this care in a VA facility. These rates would be increased from $6.35 to $9.50 for domiciliary care; from $12.10 to $16.50 for nursing home care; and from $13.25 to $18.25 for hospital care. The bill would also require the VA to submit a biennial report to the Committees on Veterans' Affairs on the appropriate per diem rates for payments to State homes. The VA opposes the bill's enactment.

The State home program has long been recognized as a vital resource for meeting the extended care needs of our aging veteran population. Current VA planning anticipates continued growth in the State home program to help meet the increased future demand for extended health care of the aging veteran population. The program began on August 27, 1888, with an act to provide aid to State or territorial homes for States. In 1939, the law was amended to extend assistance to hospital care provided in State homes. In 1964, Public Law 88–450 extended Federal assistance to State homes to include nursing home care, and separate per diem payments were established for each level of care; namely, domiciliary, nursing home, and hospital care. In Fiscal Year 1982, VA per diem payments to State veterans homes for domiciliary care totalled approximately $10.4 million.

Periodically, legislation has been enacted to increase the per diem rates for State veterans homes. The last increase was effective on October 1, 1980, pursuant to Public Law 96–151. This bill would increase VA payments to State homes by 50 percent for

domiciliary care, 36 percent for nursing home care, and 38 percent for hospital care.

The bill also requires the VA to submit a biennial report to the congressional committees on the "appropriate rates" for per diem payments. We are unable to agree with the premise underlying this reporting requirement, which appears to be that VA shall fund a certain percent of the cost of care in State home facilities.

I wish to express again the strong commitment of the Veterans Administration to providing assistance to State homes and to working closely with them for the care and welfare of our veterans. However, enactment of H.R. 103 would adversely affect our ability to maintain existing program commitments to veteran beneficiaries.

We estimate that the cost to the Veterans Administration of enacting H.R. 103 would be as follows:

Fiscal year:	*Cost (in millions)*
1984	$18.1
1985	18.7
1986	19.2
1987	19.6
1988	20.1
Total	95.7

We have been advised by the Office of Management and Budget that there is no objection to the presentation of this report to the Congress from the standpoint of the Administration's program.

Sincerely,

HARRY N. WALTERS,
Administrator.

OFFICE OF THE ADMINISTRATOR OF VETERANS' AFFAIRS,
Washington, D.C., April 15, 1983.

Hon. G. V. (SONNY) MONTGOMERY,
Chairman, Committee on Veterans' Affairs,
House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your February 15, 1983, request for the views of the Veterans Administration (VA) on H.R. 741, a bill, "To remove restrictions on the use of certain real property in Harrison County, Mississippi." The bill would amend the Act of October 4, 1966 (Public Law 89-629; 80 Stat. 876) which restricted the use of the real property conveyed by the VA to the City of Biloxi solely as a park or for other public purpose. The restrictions previously imposed would be removed only from that parcel of land of approximately 7.24 acres specifically described in the bill and which was conveyed by the City to Gulf Paving, Incorporated by deed of June 29, 1973.

The VA imposes no objection to releasing these restrictions, as the City of Biloxi indicates that zoning restrictions imposed by the City will prevent any site usage adverse to the interests of the VA.

The implementation of the proposed bill will involve no costs to the VA.

We are advised by the Office of Management and Budget that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

HARRY N. WALTERS,
Administrator.

OFFICE OF THE ADMINISTRATOR OF VETERANS' AFFAIRS,
Washington, D.C., May 4, 1983.

Hon. G. V. (SONNY) MONTGOMERY,
Chairman, Committee on Veterans' Affairs,
House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: We are pleased to respond to your request for a report on H.R. 2323, a 98th Congress bill, "To amend title 38, United States Code, to extend by three years the period during which Vietnam-era veterans may request psychological readjustment counseling from the Veterans' Administration and to direct the Administrator of Veterans' Affairs to carry out a comprehensive study of the prevalence of post-traumatic stress disorder and related readjustment problems among Vietnam-era veterans."

H.R. 2323 would amend section 612A of title 38, United States Code, to extend by three years the period during which Vietnam-era veterans may request psychological readjustment counseling, from September 30, 1984 to September 30, 1987. The bill would also extend by three years the provision requiring a transition of readjustment counseling program operations from VA's "Vet Centers" to VA medical centers and other health care facilities. H.R. 2323 would also require the Administrator to conduct a detailed, comprehensive study of the prevalence and incidence of post-traumatic stress disorder and related readjustment problems among Vietnam-era veterans as well as a survey of the health status of that population in relation to that of the general population.

Although we support the intent of H.R. 2323, we cannot support a three-year extension of the readjustment counseling program at this time. We have recently established an Agency task force which is examining readjustment counseling activities and it would be premature to express or attempt to formulate a position on this issue until after the task force has reported its findings.

The VA recognizes the value of the readjustment counseling program and is strongly committed to it. It should be noted that those Vietnam-era veterans who have requested readjustment counseling services before September 30, 1984, and continue to need those services after that date remain eligible under the law. The mechanisms by which those services wil be provided after that date have not yet been established. Although we have formed a VA Readjustment Counseling Planning Task Force to address the many issues raised by that statutory mandate, we have experienced a continuing increase in the counseling workload which suggests there remains an unmet need. Our efforts to plan for the future of this program are still at a relatively early stage. Any attempt to extend readjustment counseling eligibility should be deferred until after the task force's ultimate findings and the recommendations of the

Chief Medical Director are made. Although the numbers of additional Vietnam-era veterans who might seek these services for the first time after September 1984 may not continue at current trends, this program has demonstrated its capacity to provide needed assistance. If we are to continue to be responsive to the needs of the veterans we serve, we must constantly look to improve our methods of service delivery. Through our study of readjustment counseling activities, we will be able to better decide what is the most effective and efficient way to provide this service. For these reasons, it is important than any extension legislation be deferred for the time being.

Section 2 of the bill would require that the VA conduct a truly comprehensive survey and provide Congress a detailed report on its findings and conclusions by December 31, 1985. The bill calls for a survey both of Vietnam-era veterans' readjustment and of their general health status. The measure would require that the readjustment portion of the study include a psychological evaluation of the population of Vietnam-era veterans; an economic evaluation in terms of income level and employment achievement and satisfaction; and a sociological evaluation, the focus of which would include the extent and incidence of the long-term effect on family members of post-traumatic stress disorders (PTSD) among Vietnam-era veterans. The bill would require that the survey be designed to yield data to assist in determining whether there is a correlation between the occurrence of PTSD in such veterans and (1) alcohol or drug abuse and (2) the incarceration of such veterans in penal institutions.

Under the bill, both the readjustment portion of the study and the health status portion must be designed to develop separate findings for veterans with service-connected disabilities, "Vietnam-theater" veterans and women veterans. The bill also provides that the health status portion of the study must survey both the current and "past health status" of Vietnam-era veterans and must be designed to determine the extent of and relationship, if any, between the occurrence of PTSD and related psychological disorders within that population and the occurrence of "psychobiological" or medical disorders within that population.

The Lou Harris and Associates study of public perceptions of Vietnam veterans in October 1979 produced considerable information on the socioeconomic status of Vietnam veterans. A more comprehensive study published in March 1981 by the Center for Policy Research covered Vietnam veterans' income levels, employment achievements and job status, incidence of alcohol and drug abuse, number of arrests and many other elements related to the psychosocial adjustment of Vietnam-era veterans.

Both from these studies and from our experience in the readjustment counseling program to date, we have a significant body of information about the Vietnam-era veteran. Further, as part of the mandated Agent Orange epidemiological study, the Center for Disease Control has agreed to include a study of the Vietnam experience and its effects on health status. As a result, we believe the study proposed in this bill is unnecessary since it would duplicate existing efforts in this area.

We estimate the cost to the Veterans' Administration for implementing this measure for three years would total somewhat over $100 million. The projected cost for Section 1, the three-year extension, is approximately $33 million each year and the cost for Section 2 is estimated at $5 million.

As a technical point, we would note that if Congress intends the term to restrict the pertinent aspect of the study to veterans who served solely within Vietnam, then the term "Vietnam theater", used in the bill, would be proper. However, if the intention is to cover all veterans serving within that area, the term "Southeast Asia" would be better.

We have been advised by the Office of Management and Budget that there is no objection to the presentation of this report to the Congress from the standpoint of the Administration's program.

Sincerely,

EVERETT ALVAREZ, Jr.
(For Harry N. Walters, Administrator).

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

TITLE 38, UNITED STATES CODE

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PART I. GENERAL PROVISIONS

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CHAPTER 3—VETERANS' ADMINISTRATION; OFFICERS AND EMPLOYEES

SUBCHAPTER I—VETERANS' ADMINISTRATION

Sec.

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SUBCHAPTER II—ADMINISTRATOR OF VETERANS' AFFAIRS

210. Appointment and general authority of Administrator; Deputy Administrator.
211. Decisions by Administrator; opinions of Attorney General.
212. Delegation of authority and assignment of duties.
213. Contracts and personal services.
214. Report to the Congress.
215. Publication of laws relating to veterans.
217. Studies of rehabilitation of disabled persons.
218. Standards of conduct and arrests for crimes at hospitals, domiciliaries, cemeteries, and other Veterans' Administration reservations.
219. Evaluation and data collection.
220. Coordination and promotion of other Federal programs affecting veterans and their dependents.
221. Advisory Committee on Former Prisoners of War.

222. Advisory Committee on Women Veterans.

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Subchapter II—Administrator of Veterans' Affairs

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§ 222. Advisory Committee on Women Veterans

(a) The Administrator shall establish an advisory committee to be known as the Advisory Committee on Women Veterans (hereinafter in this section referred to as the "Committee").

(b) The committee shall consist of—

(1) members appointed by the Administrator from the general public, including—

(A) representatives of women veterans;

(B) individuals who are recognized authorities in fields pertinent to the needs of women veterans, including the health-care needs of women; and

(C) representatives of both male and female veterans with service-connected disabilities;

(2) the Secretary of Labor (or a representative of the Secretary of Labor designated by the Secretary after consultation with the Assistant Secretary of Labor for Veterans' Employment);

(3) the Secretary of Defense (or a representative of the Secretary of Defense designated by the Secretary after consultation with the Defense Advisory Committee on Women in the Services); and

(4) the Chief Medical Director and the Chief Benefits Director (or their designees).

(c) The Administrator shall determine the number, terms of service, and pay and allowances of members of the committee appointed by the Administrator, except that the term of service of any such member may not exceed three years.

(d) The Administrator shall, on a regular basis, consult with and seek the advice of the committee with respect to (1) the administration of benefits for women veterans under laws administered by the Veterans' Administration, and (2) the unique needs of women veterans with respect to compensation, health care, and rehabilitation.

(e)(1) Not later than July 1, 1984, and not later than July 1 of each second year thereafter, the committee shall submit to the Administrator a report on the programs and activities of the Veterans' Administration insofar as they pertain to women veterans. The committee shall include in each such report an assessment of the needs of women veterans with respect to compensation, health care, and rehabilitation, a review of the programs and activities of the Veterans' Administration designed to meet such needs, and such recommendations (including recommendations for administrative and legislative action) as the committee considers to be appropriate.

(2) The Administrator shall promptly submit each such report to Congress together with any comments of the Administrator concerning the report.

(3) The committee may submit to the Administrator such other reports and recommendations as the committee considers appropriate.

(4) The Administrator shall include in each annual report submitted to Congress pursuant to section 214 of this title a summary of all reports and recommendations of the committee submitted to the Administrator since the previous annual report of the Administrator.

(f) The committee shall continue in existence until terminated by a provision of law enacted after the date of the enactment of this section.

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PART II. GENERAL BENEFITS

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CHAPTER 17—HOSPITAL, NURSING HOME, DOMICILIARY, AND MEDICAL CARE

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Subchapter I—General

§ 601. Definitions

For the purposes of this chapter—

(1) The term "disability" means a disease, injury, or other physical or mental defect.

(2) The term "veteran of any war" includes any veteran of the Indian Wars, or any veteran awarded the Medal of Honor.

(3) The term "period of war" includes each of the Indian Wars.

(4) The term "Veterans' Administration facilities" means—

(A) facilities over which the Administrator has direct jurisdiction;

(B) Government facilities for which the Administrator contracts; and

(C) private facilities for which the Administrator contracts when facilities described in clause (A) or (B) of this paragraph are not capable of furnishing economical care because of geographical inaccessibility or of furnishing the care or services required in order to provide (i) hospital care or medical services to a veteran for the treatment of a service-connected disability or a disability for which a veteran was discharged or released from the active military, naval, or air service; (ii) medical services for the treatment of any disability of a veteran described in clause (1)(B) or (2) of the first sentence, or in the third sentence, of section 612(f) of this title or of a veteran described in section 612(g) of this title if the Administrator has determined, based on an examination by a physician employed by the Veterans' Administration (or, in areas where no such physician is available, by a physician carrying out such function under a contract or fee arrangement), that the medical condition of such veteran precludes appropriate treatment in facilities described in clauses (A) and (B) of this paragraph; (iii) hospital care or medical services for the treatment of medical emergencies which pose a serious threat to the life or health of a veteran receiving medical services in a facility described in

clause (A) or (B) of this paragraph until such time as the veteran can be safely transferred to any such facility; (iv) hospital care for women veterans; (v) hospital care, or medical services that will obviate the need for hospital admission, for veterans in a State not contiguous to the forty-eight contiguous States, except that the annually determined hospital patient load and incidence of the provision of medical services to veterans hospitalized or treated at the expense of the Veterans' Administration in Government and private facilities in each such noncontiguous State shall be consistent with the patient load or incidence of the provision of medical services for veterans hospitalized or treated by the Veterans' Administration within the forty-eight contiguous States, but the authority of the Administrator under this subclause (except with respect to Alaska and Hawaii) shall expire on September 30, [1983] *1984,* and until such date the Administrator may, if necessary to prevent hardship, waive the applicability to the Commonwealth of Puerto Rico and to the Virgin Islands of the restrictions in this subclause with respect to hospital patient loads and incidence of provision of medical services; or (vi) diagnostic services necessary for determination of eligibility for, or of the appropriate course of treatment in connection with, the provision of medical services at independent Veterans' Administration outpatient clinics to obviate the need for hospital admission.

In the case of any veteran for whom the Administrator contracts to provide treatment in a private facility pursuant to the provisions of this paragraph, the Administrator shall periodically review the necessity for continuing such contractual arrangement pursuant to such provision.

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Subchapter II—Hospital, Nursing Home or Domiciliary Care and Medical Treatment

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§ 612A. Eligibility for readjustment counseling and related mental health services

(a) Upon the request of any veteran who served on active duty during the Vietnam era, the Administrator shall, within the limits of Veterans' Administration facilities, furnish counseling to such veteran to assist such veteran in readjusting to civilian life if such veteran requests such counseling within two years after the date of such veteran's discharge or release from active duty or by September 30, [1984] *1987,* whichever is later. Such counseling shall include a general mental and psychological assessment to ascertain whether such veteran has mental or psychological problems associated with readjustment to civilian life.

* * * * * * *

(g)(1) During the twelve-month period ending on September 30, [1984] *1987,* the Administrator shall take appropriate steps to ensure—

(A) the orderly transition, by October 1, [1984] *1987,* of that part of the program established under this section for the provision of readjustment counseling services by Veterans' Administration personnel from a program providing such services primarily through centers located in facilities situated apart from the health-care facilities operated by the Veterans' Administration for the provision of other health-care services under other provisions of this chapter to a program providing readjustment counseling services primarily through such health-care facilities; and

(B) the continued availability after such date of readjustment counseling and related mental health services under this section to veterans eligible for the provision of such counseling and services who requested such counseling before such date.

(2) Not later than [April 1, 1984] *September 30, 1986,* the Administrator shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the plans made and actions taken to carry out this subsection.

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Subchapter V—Payments to State Homes

§ 641. Criteria for payment

(a) The Administrator shall pay each State at the per diem rate of—

(1) [$6.35] *$9.50* for domiciliary care,

(2) [$12.10] *$16.00* for nursing home care, and

(3) [$13.25] *$16.90* for hospital care,

for each veteran receiving such care in a State home, if such veteran is eligible for such care in a Veterans' Administration facility.

(b) In no case shall the payments made with respect to any veteran under this section exceed one-half of the cost of the veterans' care in such State home.

(c) The Administrator shall submit a report every three years to the Committees on Veterans' Affairs of the Senate and House of Representatives on the appropriate rates for payments under subsection (a) of this section. The first such report shall be submitted not later than June 30, 1983.

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PART VI—ACQUISITION AND DISPOSITION OF PROPERTY

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CHAPTER 81—ACQUISITION AND OPERATION OF HOSPITAL AND DOMICILIARY FACILITIES; PROCUREMENT AND SUPPLY

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Subchapter II—Procurement and Supply

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§ 5022. Authority to procure and dispose of property and to negotiate for common services

(a)(1) The Administrator may lease for a term not exceeding three years lands or buildings, or parts or parcels thereof, belonging to the United States and under the Administrator's control. Any lease made pursuant to this subsection to any public or nonprofit organization may be made without regard to the provisions of section 3709 of the Revised Statutes (41 U.S.C. 5). Notwithstanding section 321 of the Act of June 30, 1932 (40 U.S.C. 303b), or any other provision of law, a lease made pursuant to this subsection to any public or nonprofit organization may provide for the maintenance, protection, or restoration, by the lessee, of the property leased, as a part or all of the consideration for the lease. Prior to the execution of any such lease, the Administrator shall give appropriate public notice of the Administrator's intention to do so in the newspaper of the community in which the lands or buildings to be leased are located. The proceeds from such leases, less expenses for maintenance, operation, and repair of buildings leased for living quarters, shall be covered into the Treasury of the United States as miscellaneous receipts.

(2)(A) Before entering into a transaction described in subparagraph (B) of this paragraph with respect to any real property owned by the United States and administered by the Veterans' Administration which has an estimated value in excess of $50,000, the Administrator shall submit a report of the facts concerning the proposed transaction to the Committees on Veterans' Affairs of the Senate and House of Representatives, and such transaction may not then be entered into until after the expiration of [30] *180* days from the date upon which the report is submitted.

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(d) Real property under the jurisdiction of the Administrator may not be declared excess by the Administrator and disposed of by the General Services Administration or any other entity of the Federal Government unless the Administrator determines that the property is no longer needed by the Veterans' Administration in carrying out its functions.

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